

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: CITY OF MANILLA, MUNICIPAL GAS DEPARTMENT	DOCKET NO. SPU-01-16
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ORDER REQUIRING AN UPDATED RESPONSE

(Issued January 18, 2002)

On October 9, 2001, Howard Ahrenholtz, Randy Ahrenholtz, Art Joens, Jay Miller, Terry Schechinger, and Marvin Vennink (Complainants) filed a letter with the Utilities Board (Board) requesting an investigation into the discontinuance of natural gas service by the City of Manilla, Municipal Gas Department (Manilla), to Complainants' properties. The filing has been identified as Docket No. SPU-01-16. Complainants allege Manilla originally constructed the 13,000-foot natural gas pipeline in the 1960's, and that Complainants' properties were connected to the pipeline for natural gas service. Complainants allege that Manilla has subsequently operated, maintained, and metered the gas pipeline and provided service to Complainants.

Complainants allege that in August 2001 the natural gas pipeline was severed and Manilla determined that the pipeline was unsafe for the transportation of natural gas and did not repair the pipeline, thereby discontinuing service. Complainants allege that after subsequent negotiations, Manilla decided not to construct a new

pipeline or provide natural gas service to their properties. Complainants allege that this action by Manilla violates Iowa Code § 476.20 (2001).

On October 25, 2001, the Board issued an order initiating a discontinuance of natural gas service proceeding and directing Manilla to file a response to the allegations on or before October 31, 2001. The Board stated that it would determine what further action was necessary once the response had been reviewed.

On November 2, 2001, Manilla filed a response to the allegations. In the response, Manilla generally agrees with the facts concerning service to complainants and stated that once it has the specifications and estimates for constructing a new pipeline, it will make a decision whether to apply to the Board for permanent discontinuance of service.

After reviewing the response, the Board delayed further action to allow Manilla the opportunity to make a decision concerning the construction of a new pipeline or permanent discontinuance. No further pleadings have been filed in this docket and the Board finds that a reasonable amount of time has passed for Manilla to make a decision. To determine what further action should be taken in this docket, the Board will require Manilla to file an updated response that indicates whether it will construct a new pipeline to serve the affected customers or will be applying to the Board for permanent discontinuance as required by Iowa Code § 476.20.

If the decision is to seek a permanent discontinuance, Manilla must provide a summary of the relevant facts and the grounds upon which discontinuance should be

granted, pursuant to 199 IAC 7.12(2). A decision by Manilla to request discontinuance of service will start the time running for a decision under 199 IAC 7.12(4). In its response, Manilla should also indicate what provisions have been made for heating at the residences of the customers for this winter.

IT IS THEREFORE ORDERED:

1. The City of Manilla, Municipal Gas Department, shall file, on or before February 20, 2002, an updated response as described in this order.
2. Any responses to this filing by the Complainants shall be filed on or before March 15, 2002.

UTILITIES BOARD

/s/ Diane Munns

/s/ Mark O. Lambert

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

Dated at Des Moines, Iowa, this 18th day of January, 2002.